



April 29, 1997

Corporate Headquarters
Echlin Inc.
100 Double Beach Road
Branford, Connecticut 06405
203 481 5751
Fax 203 488 0370

Jose C. de Leon
Assistant Regional Counsel
Office of Regional Counsel (C-29A)
U.S. Environmental Protection Agency
77 West Jackson Street
Chicago, Illinois 60604

US EPA RECORDS CENTER REGION 5



Re: A.A. Waste Oil Site - Rock Island County, Illinois

Dear Mr. de Leon:

At your request, attached is a copy of portions of the agreement for sale of assets by and between Sheller-Globe Corporation ("Seller") and ACE Electric Company, Inc. ("Buyer"), a wholly owned subsidiary of Echlin Inc. This documentation is provided to support Echlin's January 27, 1997, response to your Request For Information (RFI) regarding the A.A. Waste Oil Site which identified an addressee as #31 Sheller-Globe, 13635 Merriman Road, Livonia, MI.

The assets at this address were acquired by Ace Electric Company, Inc. on June 25, 1987. The acquisition was a limited purchase of assets at 13635 Merriman Road, Livonia, MI and some Indiana assets, and did not include the purchase of assets or liabilities at the Keokuk, IA, location identified in Attachment 7 of your letter, nor were any environmental liabilities associated with any facility assumed in the 1987 purchase from Sheller-Globe Corporation. As indicated in the agreement for sale of assets, specifically section 4(iv)-Closing Date Balance Sheet and section 12(a)-Assumption of Certain Liabilities and Obligations which are attached, only the assets and liabilities specifically included on the closing balance sheet were to be assumed by the Buyer. No environmental liabilities were presented on the closing balance sheet, therefore, these liabilities were excluded from the purchase and continue to be the obligation of Sheller-Globe Corporation.

In conclusion, since the 1987 acquisition was a limited asset purchase, did not include the Keokuk, IA location, and did not include any assumed environmental liability from any Sheller-Globe facility, we consider our response to the above RFI complete. If you have any questions, do not hesitate to call.

Sincerely,
ECHLIN INC

Brian R. Sawin
Safety & Health Coordinator

cc: R. Foster
T. Leonard

RECEIVED

MAY 05 1997

U.S. EPA, Region 5
Office of Regional Counsel

AGREEMENT FOR SALE OF ASSETS

DATED JUNE 25, 1987

BY AND BETWEEN

SHELLER-GLOBE CORPORATION

AND

ACE ELECTRIC COMPANY, INC.

4. Closing Date Balance Sheet

(a) Within sixty days after the Closing Date, Seller shall deliver to Buyer an unaudited balance sheet dated as of the Closing Date prepared in accordance with this Section 4 and generally accepted accounting principles consistently applied (the "Closing Date Balance Sheet"). The Closing Date Balance Sheet shall indicate the net book value of the Division, which shall be the total amount of assets shown on the Closing Date Balance Sheet less the total amount of liabilities shown on the Closing Date Balance Sheet (the "Net Book Value"). For the purposes of the preparation of the Closing Date Balance Sheet and the determination of the Net Book Value indicated thereon, the following shall be applicable:

(i) With respect to Inventory, a physical inventory shall be taken as of the Closing Date by the employees of Seller and observed by representatives of Seller and Buyer and, if a party so elects, its independent public accountant. Inventory shall be valued on a first-in, first-out basis at the lower of Seller's cost, or market, excluding from the valuation all damaged, defective and obsolete items of Inventory and all Excess Inventory. Inventory on the Closing Date shall consist of items of a quality and quantity useable or, in the case of finished goods, saleable in the normal course of business of the Division at such values. As used

herein, the term "Seller's cost" shall mean the Seller's standard cost, as adjusted for the material revaluation reserve calculation with respect to the capitalization of purchase price variances consistently applied, in effect on March 29, 1987 and the term "obsolete items of Inventory" as applied to finished goods shall mean items that do not appear on the Division's current price list excluding new finished goods that would otherwise appear on the Division's next price list. The term "Excess Inventory" shall mean items of Inventory in excess of the last twelve (12) months of sales of such items or use of such items in production, as the case may be, except that:

(A) with respect to those items of Inventory for which there is less than a 12-month history of sales and/or production, such Inventory shall be valued at Seller's cost (except to the extent that such items are defective, damaged or obsolete); and

(B) items of Inventory which are more economical to produce or purchase in excess of a twelve (12) month supply shall be valued at Seller's cost (except to the extent that such items are damaged, defective or obsolete).

(ii) No asset on the Closing Date Balance Sheet shall be capitalized which has not been historically capitalized by Seller in the ordinary course of business and reflected on the balance sheets referred to in Section 3 hereof.

(iii) The assets described in Section 2 hereof shall be excluded, and assets shall be included in the Closing Date Balance Sheet only to the extent that such assets are purchased by Buyer pursuant to this Agreement.

(iv) The liabilities to be included on the Closing Date Balance Sheet shall be only those liabilities expressly assumed by Buyer pursuant to Section 12 of this Agreement; provided, however, that Buyer shall not assume any liability for taxes (including, without limitation, payroll and income taxes), insurance or pensions.

(b) Buyer shall promptly review the Closing Date Balance Sheet, and should Buyer determine that the Closing Date Balance Sheet has not been prepared in accordance with this Agreement, Buyer shall so notify Seller within 30 days thereafter of all items not in agreement (the "First Notice"). Buyer and Seller shall then promptly designate representatives who shall meet for the purpose of resolving the differences between them. In the event that such representatives are unable to resolve such differences within 30 days after receipt by Seller of the First Notice to the Closing Date Balance Sheet, Buyer and Seller shall cause their respective representatives to promptly notify the parties in writing of all such items still not in agreement (the "Second Notice"). Upon receipt of the Second Notice, the parties shall refer all such items not in agreement to Coopers & Lybrand, a jointly selected third independent public accountant, for resolution in accordance with this Agreement. The decision of

entitled to any loss proceeds of policies of insurance with respect to such loss. The limit of Seller's obligation to so replace shall not exceed the book value of such destroyed Purchased Asset.

(c) If, prior to the Closing Date, any of the Purchased Assets shall be damaged or destroyed, or taken in condemnation proceedings, to an extent which will materially adversely affect operations similar to those carried on by Seller at the Division, Buyer, at its option, may (i) elect to become entitled to any proceeds of condemnation or insurance with respect to such loss or (ii) cancel this Agreement. If so cancelled, this Agreement will be of no force and effect except for confidentiality as set forth in Section 21(i), and in such event neither party hereto shall have further obligation to the other by reason hereof.

12. Assumption of Certain Liabilities and Obligations

Buyer shall assume and be responsible only for the following liabilities and obligations of Seller:

(a) Liabilities of Seller. Buyer shall assume and be responsible for timely discharge of the liabilities of Seller relating to the Division which are reflected or reserved for on the Closing Date Balance Sheet, but only to the extent so reflected or reserved for.

liens with respect to claims or obligations which are not substantial in amount and do not materially detract from the value or the use of any assets to which they attach.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement on the day and year first above written.

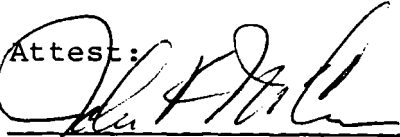
SELLER:

SHELLER-GLOBE CORPORATION

By:



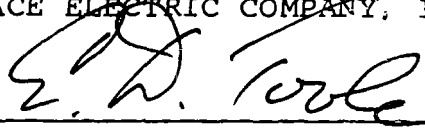
Attest:


Secretary

BUYER:

ACE ELECTRIC COMPANY, INC.

By:


Vice President

Attest:


Asst. Secretary